

SECRET

29 MAY 1974

MEMORANDUM FOR: Chief and Deputy Chief, Real Estate and
Construction Division, OL

25X1A

[REDACTED]

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The attached report was initially prepared for Plans and Programs Staff as part of their work on objectives for FY 1974. When it was forwarded to DD/M&S, it was given to [REDACTED] and company for their review and comment. When Jack received their comments he sent the whole package back to me with a note and I subsequently had [REDACTED] and company make comments on the comments.

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Having said all that, I think this whole project at this point is overtaken by events, since the concept of the Building Planning Staff has been approved and the Building Planning Staff, when established, will really take over this project; soooooo, I am sending this to you as part of the first inputs to the Building Planning Staff.

[REDACTED]

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Francis J. Van Damm
Director of Logistics

cc: P&PS/OL

Att

OL 4 2385a

E2, CL BY 010891

This memo may be reclassified
AIUO upon removal of att.

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9 MAY 1974

MEMORANDUM FOR THE RECORD

SUBJECT: Comments Concerning DD/M&S Plans Staff Papers
Resulting from the Logistics "Report on Agency
Dispersion Problems and Inefficiencies"

1. The comments are keyed to each of the following specific papers as prepared by the respective members of the DD/M&S Plans Staff:

a. Note dated 17 April 1974 from LJD (Mr. [REDACTED] to Mr. Blake.

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(1) Mr. [REDACTED] is correct in the fact that there are a "number of discrepancies" and "there has been some separate action." The report must now be viewed in retrospect from the standpoint that it is 3 months old and a number of events and changes have taken place since it was prepared. As time passes, it will become more outdated with regard to statistical data. If complete statistical accuracy and currency are considered paramount, the report should be reworked to bring it up to date. For example, the gasoline crises was just beginning to appear on the horizon during the preparation of the report. Since that time, the reimbursable use of POV's has undoubtedly decreased substantially, and the use of Agency "U-Drive" vehicles has increased. The Shuttle Bus Service has been upgraded and costs of the service have increased as a result of rescheduling frequency of runs since the report was completed.

(2) I do not feel that the exactitude of the statistical data (except at the moment it is verified and listed) is the vital area for consideration. More important is the fact that the following basic dispersion problems and inefficiencies in terms of extended facilities/services and costs are with us and will remain so until some corrective action is taken:

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SUBJECT: Comments Concerning DD/M&S Plans Staff Papers
Resulting from the Logistics "Report on Agency
Dispersion Problems and Inefficiencies"

SLUC (as applied to leased buildings)
Guard and Receptionist Services
Communications Systems
Shuttle Bus Service
Motor Pool Service
U-Drive Agency Vehicles
Reimbursable Use of POV's and Taxis
Courier Service
Supply Deliveries

(3) I agree that the committee or task force approach is the slow way to progress. A unilateral body could move faster. Neither approach will accomplish very much unless authority commensurate with the task is provided. However, it must be conceded that each Directorate is heavily involved in dispersion of activities and any solutions, any developments, cannot succeed without the full co-operation and compliance of all Directorates.

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b. Note dated 16 April 1974 from RHW (Mr. [REDACTED] to Mr. [REDACTED] and Mr. Blake.

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(1) Again, the statistical discrepancies "found" do not alter in any way the basic fact that the Guard and Receptionist Service is one of the primary resource demands directly attributable to dispersion. The "found" and corrected discrepancies consisted of statistical errors in information provided by the Office of Security as to the amounts of Guard and Receptionist funds and manpower attributable to the dispersed locations. As a result, resource requirements were originally overestimated in the report. Statistical corrections were being prepared in this Staff at the time Mr. [REDACTED] advised me that he had found the errors and would correct his copies of the report. The correction serves only to completely verify the original finding that Guard and Receptionist Service is the greatest drain on resources attributable to dispersion, other than the SLUC assessments. All concerned are now agreed that the corrected statistical estimate of \$1.3 million and 94 man-years annually is reasonably accurate for Guard and Receptionist Service attributable to the 15 dispersed locations discussed in the report.

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(2) I also agree that eliminating dispersed locations will not be an easy task. It will require careful attention to personnel projections, and many other factors under cognizance of the Directorates such as future objectives and program plans. Based on all of this, any planning will still require exceptionally sound judgement in looking toward the future to determine the greatest potential for consolidation and resulting increased efficiency.

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(3) Mr. [REDACTED] asks what can we do about the Offices of Finance, Logistics, and Training, for example. These three Offices are now dispersed in six separate locations. Removal from the [REDACTED] STATINTL

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[REDACTED] location will soon reduce this to five. The same objective long-range planning should now be directed toward the remaining five locations and the occupying DD/M&S Offices, i.e., where should they ideally be 5-10 years from now, consolidated in the mainstream at Langley, relocated in the nearby beltway vicinity, or remain in the backwaters [REDACTED] 25X1A

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[REDACTED] When decisions are reached on the basis of these plans, then objectives can be set for accomplishment. Concurrent with this, of course, the same planning should take place for the other Directorates occupying these five dispersed locations. It was primarily because of this need for concurrent, coordinated planning that an inter-Directorate task force was recommended.

c. Memorandum For The Record dated 2 April 1974 prepared by [REDACTED] subject: OL's 8th FY 1974 Objective (Report on Agency Dispersion Problems and Inefficiencies).

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(1) The "major flaw" refers again to the previously discussed statistical corrections, which I think are not relevant to the principle issues of management problems and inefficiencies in terms of nonproductive use of manpower and funds resources.

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(2) There were few reliable information sources on SLUC at the time the report was prepared, although many are now conversant and knowledgeable on the subject. The concept of SLUC was so little known during the early stages of the report that care had to be taken lest the term be mistaken for an obscenity. Currently, there is one firm answer to the SLUC questions asked by Mr. [REDACTED]. The Agency will not be granted an exemption from SLUC for buildings on the Headquarters compound. Therefore, the original stated conclusion reached in the report remains correct in that only "elimination" of dispersed locations (not replacement as incorrectly inferred by Mr. [REDACTED]) will reduce resource requirements. As of this date, the answer to Mr. [REDACTED] other question is still not known. The SLUC assessment has not been established for the new Headquarters garage.

(3) The other facts discussed in Mr. [REDACTED] paper appear to be objective thoughts towards future constructive planning which I believe is the logical next step to be taken.

d. Note For The File dated 5 February 1974 prepared by [REDACTED], subject: Corrections to page 3, para 4b and page 4, para 4c(2) of OL's paper, "Report on Agency Dispersion Problems and Inefficiencies" (DD/M&S 74-0177).

These are the much discussed statistical corrections which were all agreed to and included in the report on or about 5 February 1974.

2. In conclusion, the primary purpose of the Logistics report was to identify significant dispersion problems and substantial inefficiencies and this has been done, but statistical cost factors are not static and will continue to change. Management decisions must now be made as to (1) whether any action will be taken on the situation, and if affirmative, (2) what element will have the authority and responsibility for developing solutions and taking corrective action.

[REDACTED]
Plans and Programs Staff, OL

ROUTING AND RECORD SHEET

SUBJECT: (Optional)				
FROM: Director of Logistics 1206 Ames Center Building		EXTENSION 2551	NO. DATE 29 May 1974	
TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. Deputy Chief, RECD/OL 906 Ames	5/31		ATZ	<p>Tony:</p> <p>Attached probably most valuable as an assessment of [REDACTED] style & acumen.</p> <p>STATINTL</p>
2.				
3. Chief, RECD/OL 906 Ames	5/29		g	
4.				
5.				
6.				
7.				
8.				
9. [REDACTED]				
10.				
PLEASE MAKE NEW B.P.S. FILES				
"REPORTS ON AGENCY DISPERSION				
PROBLEMS AND INEFFICIENCIES"				
AND HOLD FOR FURTHER B.P.S.				
ACTION.				
15.				

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